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Ronald A. Katz

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EXAMINER

KERR, DEBRA E

ART UNIT

PAPER NUMBER

3625

DATE MAILED: 05/23/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/505,619

Applicant(s)

KATZ ET AL.

Examiner

Debra E Kerr

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-171 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-171 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on ____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). ____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1,35,38,59,128 and 129 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 recites the limitation "the upsell determination" in line 11. There is insufficient antecedent basis for this limitation in the claim.

Claim 35 recites the limitation "the upsell transaction" in line 2. There is insufficient antecedent basis for this limitation in the claim.

Claim 35 recites the limitation "the database" in line 2. There is insufficient antecedent basis for this limitation in the claim.

Claims 58 and 128 recite the limitation "the telemarketer" in line 2. There is insufficient antecedent basis for this limitation in the claim.

Claims 59 and 129 recites the limitation "the system user" in line 2. There is insufficient antecedent basis for this limitation in the claim.

Double Patenting

The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple

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assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

Claims 1-171 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1-267 of U.S. Patent No. 6,055,513. Although the conflicting claims are not identical, they are not patentably distinct from each other because both sets of claims concern a method for making a real-time item upsell offer to a customer during a separate product transaction from which customer information has been collected for use in determining the upsell.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

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(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-3,5,6,8,13-15,20-26,30,31,33,37,41-45, 48-50,52,56-58,68-71,73,74,76,81-83,88,89,92-96,100,101,103,107,111-115,118-120,122,126-128,138,139-145, 149,150 and 152 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Smolen (US 5,915,243).

Smolen discloses a method for providing item offers on an item constituting a good or service in the form of offers for purchase of the item to potential customers as users of the system, utilizing an electronic communication device, such as a telephone, videophone or computer, comprising:

- Establishing communication via the electronic communications device between the user and the system for purpose of a primary transaction (col. 3, line 46 - col. 4 line 18 and col. 7, lines 12-25)
- Obtaining primary transaction data with respect to the transaction, including determining the identity of the prospective customer (col. 4, lines 42-44)
- obtaining at least a second data element relating to the user for the upsell determination (col. 5, line 1 – col. 6 line 5)

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- utilizing at least in part the primary transaction data and the second data element and determining at least one good or service item for prospective upsell to the prospective (col. 6, lines 6-51 and col. 7, lines 46-60)
- Offering the item to the customer (col. 7, 54-57)

Claims 2 and 70. The method of claim 1 wherein the primary transaction data includes identification data (col.4, lines 44-45).

Claims 3 and 71. The method of claim 2 wherein the identification data includes user specific data (col.5, lines 25-26).

Claims 5, 6, 73 and 74. The user specific data includes the user's electronic address, and the user's electronic address includes an electronic mail (e-mail) address (col.7, line 54).

Claims 8 and 76. The user specific data includes the user's customer number (col. 4, lines 44-45).

Claims 13 and 81. The user specific data includes the user's PIN (col.4, line 44).

Claims 14, 15, 82 and 83. The primary transaction data includes user local identification data, and the user local identification data is a user's telephone number (col. 4, lines 64-67).

Claims 20 and 88. The primary transaction data includes primary transaction service data (col. 4, lines 16-18).

Claims 21 and 89. The electronic communications device is telephonic communication (col. 3, lines 30-35).

Claims 22 and 92. The electronic communications device is communication through an electronic communication network (col. 3, lines 46-58).

Claims 23 and 93. The electronic communication network is the internet (col.7, lines 21-24).

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Claims 24 and 94. At least certain of the obtained information includes demographic information (col.4, lines 64-67).

Claims 25 and 95. The demographic information includes an indication of the user's age (col.5, lines 25-26).

Claims 26 and 96. The demographic information includes an indication of the user's sex (col.5, lines 43-49).

Claims 30 and 100. The demographic information includes an indication of the user's family status (col.5, lines 27-28)

Claims 31 and 101. The demographic information includes an indication of the user's lifestyle (col.5, lines 25-30).

Claims 33 and 103. The demographic information includes a coded indication for the user (col. 4, lines 60-64).

Claims 37 and 107. At least certain of the obtained information includes possession data (see col. 2, lines 25-31, where it is stated that Smolen's system overcomes the prior art by gathering information on a consumer's cumulative purchase patterns, which would necessarily include purchased items, i.e., possessions; also see col. 5, lines 55-56, where one demographic question relates to whether a person in the household possesses a driver's license, which would indicate that someone in the household possesses a car).

Claims 41 and 111. A database providing raw data (col. 6, lines 64-65)

Claim 42 and 112. A database that provides analyzed data (col. 7, lines 1-6).

Claims 43 and 113. At least certain of the second data element is obtained from a remote database (col. 5, lines 31-37).

Claims 44 and 114. The database provides raw data (col. 2, lines 60-61).

Claims 45 and 115. The database provides analyzed data (col. 2, lines 61-62).

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Claims 48 and 118. The system further includes the step of correlating correlating via a correlating unit at least certain of the primary transaction data with other identification data (col. 4, lines 55-64).

Claims 49 and 119. The system further includes the step of correlating via a correlating unit at least certain of the primary transaction data with other designators for database accessing (col. 4, lines 55-64).

Claims 50 and 120. The step of determining the at least one good or service item for prospective upsell to the prospective customer, negative rules are applied (col. 5, lines 62-65 disclose a neural network for intelligent question selection, which inherently includes negative logic or rules for decision making, and col.6 lines 3-5 state that the same neural network can be used for the promotional offer process).

Claims 52 and 122. The step of determining the at least one good or service item is performed in automatic response to the occurrence of a primary transaction (col. 4, lines 55-64).

Claims 56 and 126. The step of determining results in determining more than one good or service item for offer to the user (col. 6, lines 52-54).

Claims 57 and 127. The more than one good or service is presented for selective presentation to the user (col. 6, lines 36-51).

Claims 58 and 128. The selection as to presentation is made by the telemarketer (col. 7, lines 46-52).

Claims 68 and 138. The data relating to the upsell is utilized in future determination of upsells (col. 7, lines 46-52).

Claim 69. A system for the intelligent provision of an item based upon a contact between the user of the system and the system, for the potential provision of an item selected from the group comprising goods and services (col. 2, lines 56-65), comprising:

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- An input collection system for collection and storage of information for use in said intelligent item selection determination, at least certain of the information resulting from primary transaction between the user and the system (col. 3, lines 51 - col. 4 line 5)
- An interface for the selective accessing of one or more databases, the interface receiving at least a second data element relating to the user from said databases for use in said intelligent item selection determination (col. 3, line 65 – col. 4 line 5)
- A control system for directing the interaction with the user, the said one or more databases, and the item selection system (col. 3 lines 59-65)
- An item selection system, adapted to receive the inputs from the input collection system, including the primary transaction data, and the interface for the selective receiving information from said databases, including the second data element, under operation of the control system, for the output of at least one item selection, wherein the selection is based at least in part upon primary transaction data and the second (col. 2, line 66 – col. 3 line 7)
- A provision system for providing information to the customer regarding the upsell (col. 6, lines 62-63)

Claim 139. A method for the real time, intelligent selection of information for provision to users of the system, in a remote communication environment, utilizing an electronic communications device, such as a telephone, videophone or computer(col. 2, line 51 – col. 3 line 7), comprising:

- establishing communication via the electronic communications device between the user and the system for purpose of an initial transaction (see claim 1)
- obtaining transaction data with respect to the user from the initial transaction (col. 4, lines 19-34)

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- including at least determining certain information regarding the identity of the user (col. 4, lines 42-44)
- providing information relating to said information regarding the identity of the user to an external database (col. 4, lines 55-59)
- obtaining at least a second data element from said external database, relating to the user for the intelligent selection of information for provision to the user (col. 5, lines 1-3)
- utilizing at least in part the transaction data and the second data element and selecting the information for provision to users of the system (col. 5, lines 31-36)
- providing the information to the user (col. 6, lines 35-37)

Claims 140 and 141. The method for the real-time, intelligent selection of information for provision to users of the system of claim 139 wherein the information relates to goods or services (col. 7, lines 46-57).

Claim 142. A method for presentation of information to users of an electronic system comprising the steps of:

- establishing communication between a user of the system and the electronic system (see claim 1 above)
- determining characteristics of the user based at least in part upon the communication between the user of the system and the electronic system (col. 3, lines 10-12)
- determining the mode of presentation for the user based at least in part on the determined characteristics of the user (col. 3, lines 12-14)
- presenting the information to the user in the determined mode (col. 3, lines 14-15).

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Claim 143. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's demographic information (col. 7, lines 40-44).

Claim 144. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's age (col. 5, lines 28-30).

Claim 145. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's sex (col. 5, lines 46-47).

Claim 149. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's family status (col. 5, lines 27-28).

Claim 150. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's lifestyle (col. 5, lines 25-30).

Claim 152. The method for the presentation of information to users of an electronic system of claim 142 wherein the mode of presentation for the user differs from the mode of presentation to other users based on the user's coded indication (col. 5, lines 25-30).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill

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in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4,7,9,12,27-29,32,38,39,47,51,59,67,72,75,77,79,80,190,91,97-99, 102,108,109,117,121,129,146-148 and 151 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smolen.

As per Claims 4 and 72, Smolen substantially teaches the invention but fails to teach user specific data that includes the user's social security number. One of ordinary skill in the art would have been able to reasonably infer that a user accessing the system would provide a social security number as a means of identity check , as this is the type of data typically used for verifying user identity. Thus, it would have been obvious to modify Smolen's offer promotion system to include the user's social security number. The motivation would have been to identify a user more accurately and ensure that the correct user profile is accessed from the database.

As per Claims 7 and 75, Smolen substantially teaches the invention but does not disclose the user's electronic address including an internet service provider identification. One of ordinary skill in the art would have been able to reasonably infer that a user accessing the system over the internet would provide the system with the internet service provider identification. Thus, it would have been obvious to modify Smolen's offer promotion system to include an internet service provider identification as part of the user's address. The motivation would have been to identify a user more accurately and ensure that the correct user profile is accessed from the database.

As per Claims 9 and 77, Smolen substantially teaches the invention, including digitally loading an electronic wallet for providing offers to users (col. 7, lines 54-57), but does not disclose user specific data including the user's electronic signature. One of ordinary skill in the art would have been able to reasonably infer that a system making use of an electronic wallet could also make use of a user's electronic signature. Thus, it would have been obvious to modify Smolen's offer promotion system to include the user's electronic signature. Doing so would allow the merchants participating in

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the system a means to verify the identity of the person submitting the promotional offer for redemption over the Internet.

As per Claims 27-29,32, 97-99 and 102, Smolen substantially teaches the invention, including a complex survey of questions designed to elicit demographic information from a user (col. 5, lines 60-65). Smolen does not specifically mention eliciting demographic information that includes an indication of the user's income, occupation, interests, or education level. One of ordinary skill in the art would have been able to reasonably infer that the demographic information elicited from the user would include data regarding the user's income, occupation, interests, or education level, since this is the type of information that is typically gathered for a demographic profile. Thus, it would have been obvious to modify Smolen's offer promotion system to include a demographic profile including the user's income, occupation, interests, or education level. The motivation would have been to more accurately target consumers.

As per Claims 38 and 108, Smolen substantially teaches the invention but does not specifically mention certain of the possession data including set data. One of ordinary skill in the art would have been able to reasonably infer that the gathered possession data would include set data, since this is the type of information that is typically gathered when compiling possession data. Thus, it would have been obvious to modify Smolen's offer promotion system to include gathered possession data including set data. The motivation would have been to more accurately offer promotions to a user.

As per Claims 39 and 109, Smolen substantially teaches the invention but does not specifically mention set data including data relating to household items. One of ordinary skill in the art would have been able to reasonably infer that the gathered set data would include household data, since this is the type of information that is typically gathered when compiling possession data. Thus, it

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would have been obvious to modify Smolen's offer promotion system to include set data that includes household data. The motivation would have been to more accurately offer promotions to a user.

As per Claims 47 and 117, Smolen substantially teaches the invention but does not specifically mention at least certain of the second data element being obtained from a clock. One of ordinary skill in the art would have been able to reasonably infer that the gathered data would include a timestamp obtained from a computer's internal clock, as this type of data being added to a database is old and well-known. Thus, it would have been obvious to modify Smolen's offer promotion system to include a second data element being obtained from a clock. The motivation would have been to provide an audit function for the user's database records.

As per Claims 51 and 121, Smolen substantially teaches the invention but does not specifically mention the negative rule including not offering for upsell an item determined to already be possessed by the user. One of ordinary skill in the art would have been able to reasonably infer that determining items already be possessed by the user would be a central reason for using negative rules in a survey. Thus, it would have been obvious to modify Smolen's offer promotion system to include not offering for upsell an item determined to already be possessed by the user. The motivation would have been to make the best use of the user's time by not offering promotions that the user does not need.

As per Claims 59 and 129, Smolen substantially teaches the invention but does not specifically mention the selection as to presentation being made by the system user. One of ordinary skill in the art would have been able to reasonably infer that the user could be provided with a means to select the presentation mode. Thus, it would have been obvious to modify Smolen's offer promotion system to include a selection as to presentation being made by the system user. The motivation would have been to give the user more control over the system.

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As per Claims 90 and 91, Smolen substantially teaches the invention, including including communication via audio and video, but does not specifically mention a telephonic communication device being a touch tone phone or a videophone. One of ordinary skill in the art would have been able to reasonably infer that a videophone would be one of the ways chosen for communication via audio and video. Thus, it would have been obvious to modify Smolen's offer promotion system to include a touch tone phone or a videophone. The motivation would have been to expand the means available to users for communicating with the system, thus increasing acceptance of promotional offers.

As per Claims 146, 147, 148, and 151, Smolen substantially teaches the invention, but does not teach the mode of presentation for the user differing from the mode of presentation to other users based on the user's income, occupation, education level or interests. One of ordinary skill in the art would have been able to reasonably infer that the basis for presenting a different mode of presentation would include the user's income, occupation, education level or interests, in addition to those demographic features which Smolen lists. Thus, it would have been obvious to modify Smolen's offer promotion system to alter the mode of presentation based on the user's income, occupation, education level or interests. The motivation would have been to more accurately target a variety of consumers.

Claims 10,11,16-19,34-36,40,46,53-55,60-63,78,84-87,104-106,110,116,123-125,130-133, 136 and 137 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smolen in view of Walker et al. (US 6,064,987).

As per Claims 10 and 78, Smolen substantially teaches the invention but fails to teach user specific data that includes the user's billing data. Walker teaches a sales system that includes a purchaser billing database (col. 6, lines 31-32). It would have been obvious to one having ordinary

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skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a purchaser billing database. Doing so would provide a means to bill customers for offers that have been purchased.

As per Claims 11 and 79, Smolen substantially teaches the invention but fails to teach user billing data including a credit card number. Walker teaches a sales system where the user billing data includes a credit card number (col.6, lines 49-51). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a credit card number. Doing so would provide a means to bill customers for offers that have been purchased.

As per Claims 12 and 80, Smolen and Walker substantially teach the invention (see claim 11 above), but fail to explicitly teach user billing data that includes a debit card number. Please note that it is old and well known in the banking art that one card issued by a bank may be used as both a credit and a debit card by the cardholder.

As per Claims 16 and 84, Smolen substantially teaches the invention but fails to teach a primary transaction data that includes transaction type data. Walker teaches a sales system having an installment plan database with different types of installment plans (col. 6 line 66 – col. 7 line 6). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding transaction type data. Doing so would provide a means for a computer sales system to process multiple transaction types.

As per Claims 17 and 85, Smolen substantially teaches the invention but fails to teach transaction type data that indicates a purchase transaction. Walker teaches a sales system having purchase transactions for goods and services (col. 8, lines 35-37). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of

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Walker regarding transactions for goods and services. Doing so would allow a merchant to transact sales and offer promotions concurrently.

As per Claims 18 and 86, Smolen substantially teaches the invention, but fail to explicitly teach a transaction type unit generating data indicating a service transaction. Walker teaches a sales system having an installment plan database (col. 6 line 66), consisting of different types of installment plans (col. 6 line 66 – col. 7 line 6). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding Walker's teaching of a service transaction. Doing so would provide a means to expand the range of transactions through which a promotional offer can be made.

As per Claims 19 and 87, Smolen substantially teaches the invention but fails to teach the primary transaction data including primary transaction goods data. Walker teaches a sales system that involves customers purchasing goods such as stereos (col. 12, lines 51-52). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding primary transaction goods data. Doing so would allow a merchant to transact sales and offer promotions concurrently.

As per Claims 34 and 104, Smolen substantially teaches the invention but fails to teach obtained information including credit data. Walker teaches a sales system that involves accessing a credit database in order to obtain credit history for a potential purchaser (col. 9, line 54 – col. 10, line 2). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding credit data. Doing so would allow a merchant to examine a customer's credit rating before offering a promotion, thus increasing likelihood of payment.

As per Claims 35 and 105, Smolen substantially teaches the invention but fails to teach obtaining the credit data for both the primary transaction and the upsell transaction while accessing

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the database for the primary transaction. Walker teaches a sales system which accesses a credit database in order to obtain credit history for a potential purchaser (col. 9, line 54 – col. 10 line 10), in order to complete a primary and upsell transaction (col. 2, lines 51-52). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding credit data. Doing so would allow a merchant to examine a customer's credit rating for multiple transactions, thus increasing likelihood of payment.

As per Claims 36 and 106, Smolen substantially teaches the invention but fails to teach at least certain of the obtained information including inventory data. Walker teaches a sales system having an inventory database for tracking inventory data (col. 6, lines 1-3). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding inventory data. Doing so would allow a merchant to keep track of inventory on offered items.

As per Claims 40 and 110, Smolen substantially teaches the invention but fails to teach at least certain of the second data element being obtained from a local database. Walker teaches a sales system that could consist of a POS processor and a storage device in one computer (col. 5, lines 45-46). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a data element obtained from a local database. Doing so would allow a merchant to process customer payments more quickly.

As per Claims 46 and 116, Smolen substantially teaches the invention but fails to teach at least certain of the second data element is obtained from a calendar. Walker teaches a sales system having a transaction date stamp (col. 7, lines 35-57). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a data element obtained from a calendar. Doing so would allow a system to more accurately keep track of customer records for processing potential returns.

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As per Claims 53 and 123, Smolen substantially teaches the invention but fails to teach the transaction type of the primary transaction is different from the upsell transaction. Walker teaches a sales system which combines a sale of goods with a sale of a warranty (col. 12, lines 51-52). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding different primary and upsell transaction types. Doing so would allow a merchant to offer customers a wider variety of goods and services, thus increasing sales.

As per Claim 54 and 124, Smolen discloses a primary transaction that is a service transaction and an upsell that is a sales transaction. Walker teaches a sales system having such a combination (see col. 4, lines 16-18, where primary transaction is at an automated teller machine, and col. 7, lines 49-57, where upsell is an offer on a good which can be redeemed at the point of sale). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a primary service transaction and an upsell sales transaction. Doing so would allow a merchant to increase sales.

As per Claim 55 and 125, Smolen substantially teaches the invention but fails to teach the primary transaction is a sales transaction and the upsell is a sales transaction. Walker teaches a sales system having a primary sales transaction and an upsell sales transaction (col.12, lines 51-54). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a primary and upsell sales transaction. Doing so would allow a merchant to increase sales.

As per Claims 60 and 130, Smolen substantially teaches the invention but fails to teach the primary transaction being consummated. Walker teaches a sales system where a purchaser receives a bill and submits payment (col. 11, lines 57-65). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a primary transaction being consummated. Doing so would allow a merchant to increase sales.

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As per Claims 61 and 131, Smolen substantially teaches the invention but fails to teach the upsell transaction being consummated. Walker teaches a sales system where the purchaser selects an installment plan and an upsell transaction during payment of the primary transaction (col. 12, lines 63-67). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding an upsell transaction being consummated. Doing so would allow a merchant to increase sales.

As per Claim 62 and 132, Smolen substantially teaches the invention but fails to teach the upsell transaction supplants the primary transaction. Walker teaches a sales system where the upsell transaction supplants the primary transaction (col. 12, lines 55-67) It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding an upsell transaction supplanting a primary transaction. Doing so would allow a merchant to increase profits.

As per Claims 63 and 133, Smolen substantially teaches the invention but fails to teach both the primary transaction and the upsell transaction being consummated. Walker teaches a sales system where both a goods sale and a service sale are consummated in a single transaction (col. 12, lines 46-54). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a primary and upsell transaction being consummated. Doing so would allow a merchant to increase sales.

As per Claims 67 and 137, Smolen substantially teaches the invention but fails to teach that if a transaction is consummated, an inventory unit updates inventory information regarding the item. Walker teaches a sales system having an inventory database (col. 6, lines 1-8). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding an inventory unit. Doing so would enable the system to keep track of sale items and promotions. Please note that Walker does not explicitly mention updating the inventory

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database following a transaction. Updating an inventory database on making a sale in order to accurately keep track of the number of items in stock is well known and would have been obvious to one having ordinary skill in the art.

As per Claim 136, Smolen substantially teaches the invention but fails to teach that if a transaction is consummated, a billing unit effects billing for the item (col. 8, lines 17-26). Walker teaches a sales system that includes a purchaser billing database (col. 6, lines 31-32), that bills customers for a purchase (col. 8, lines 63-65). It would have been obvious to one having ordinary skill in the art to combine Smolen's offer promotion system with the teaching of Walker regarding a billing database. Doing so would provide a means to bill customers for offers that have been purchased.

Claims 64,65,134,135, and 154-171 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smolen in view of Kenney (US 6,381,583).

As per Claims 64,65,134 and 135, Smolen substantially teaches the invention but does not specifically mention if a transaction is consummated, shipping of the item is effected, a shipping unit that effects shipping of the item, or a tracking unit generating user accessible tracking information. Kenney teaches a virtual store where products can be ordered electronically through the Internet, including instructions for the store to ship the items to the consumer (col. 11, lines 5-8). It would have been obvious to one having ordinary skill in the art to combine Smolen's promotion offering system for products with Kenney's virtual store. Doing so would provide a means for users to accept a promotional offer on a product, have the product shipped, and track the product until delivery, thus increasing user use of promotions.

As per Claims 154 and 165, Smolen substantially teaches the invention, including:

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- A method for the real-time presentation of information to users of a system, in a remote communication environment, utilizing an electronic communications device, such as those selected from the group comprising telephones, videophones, and computers (see claim 1)
- Establishing communication via the electronic communication device between the user and the system for purpose of a purchase transaction (col. 4, lines 16-18, where the interactive communication device is a automated teller or any other kiosk. Kiosks are well known to be used as devices used for purchase selection, such as at gas station pumps).
- Selecting a second potential purchase transaction for presentation to the user (col.8, lines 23-26)
- Providing a presentation to the user of information relating to the second potential transaction (col. 8, lines 27-28)

Smolen fails to teach providing a presentation to the user of information relating to the second potential transaction, which includes textual information data and at least one graphical depiction relating to the second potential transaction, or providing a presentation to the user of information relating to the second potential transaction, the presentation to the user including textual information data and at least one dynamic video depiction. Kenney teaches an interactive electronic shopping system that allows shoppers to access a virtual store that includes textual information data (col. 6, lines 44-45), graphical depictions (col. 10, lines 28-33), and dynamic video depiction (col. 1 line 66 col. 2 line 12).

It would have been obvious to one having ordinary skill in the art to combine Smolen's secondary purchase incentive system with Kenney's interactive shopping system in order to provide a system where users can shop remotely and receive manufacturer promotions in real time. Doing so would provide vendors on the Internet with the same upselling advantages enjoyed by conventional storefront merchants.

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As per Claim 155 and 166, Smolen discloses the real time presentation of information to users of a system further including audio communication (col. 3, lines 30-36).

As per Claim 156, 157, 167 and 168, Smolen substantially discloses the invention, including audio communication. Smolen does not explicitly disclose real time presentation of information to users of a system wherein the audio communication is one-way communication, or wherein the audio communication is from the system to the user. Kenney discloses a virtual store where product information can be provided audibly (col. 10, lines 24-28). It would have been obvious to modify Smolen's interactive promotion system per Kenney's teaching of audible product information being provided by a system. Doing so would provide another means to communicate with users.

As per Claims 158, 159, 169 and 170, Smolen discloses the real time presentation of information to users of a system where the audio communication is from the user to the system and where the audio communication is two-way communication (see claim 155 above for audio communication, and see col. 2, lines 58-65, describing two-way real-time communication).

As per Claims 160 and 161, Smolen substantially teaches the invention but fails to teach real time presentation of information to users of a system wherein the graphical depiction includes a still image, or where the graphical depiction includes motion. Kenney teaches a virtual store where visual (i.e., graphical) images can be displayed as still or moving images (col. 5, line 66 – col. 6, line 3). It would have been obvious to modify Smolen's interactive promotion system per Kenney's teaching of graphical still images in order to provide pictures of the items being promoted by merchants on Smolen's system, thus encouraging users to accept the promotions more readily.

As per Claim 162, Smolen substantially teaches the invention but fails to teach real time presentation of information to users of a system wherein the graphical depiction includes video. Kenney teaches a virtual store where a shopper can move among the store's products via a video representation (col. 2, lines 59-65). It would have been obvious to modify Smolen's interactive

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promotion system per Kenney's teaching of graphical still images in order to provide a virtual video depiction of the shopping facility. Doing so would more accurately reproduce an actual store visit and shopping experience, making the user more comfortable and boosting sales.

As per Claims 163 and 171, Smolen substantially teaches the invention, including the real time presentation of information to users of goods comprising a second potential transaction. Smolen fails to teach a system including video of the goods comprising the second potential transaction. Kenney teaches a virtual store displaying items on shelves (col. 3, lines 55-64). It would have been obvious to modify Smolen's interactive promotion system per Kenney's teaching of product images. Doing so would allow users to browse shelves of virtual products, including product labels, more accurately reproducing an actual store visit and shopping experience, making the user more comfortable and boosting sales.

As per Claim 164, Smolen substantially teaches the invention but fails to teach the real time presentation of information to users of a system wherein the graphical depiction includes a created image. Kenney teaches a virtual store that includes created images (col. 5, lines 32-40). It would have been obvious to modify Smolen's interactive promotion system per Kenney's teaching of created images. Doing so would allow merchants and vendors to customize the product displays in their virtual store for more effective marketing, thus increasing sales.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Debra E Kerr whose telephone number is (703) 305-3184. The examiner can normally be reached on 7 a.m. to 4:30 p.m. Monday through Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on (703) 305-1440. The fax phone numbers for the organization

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where this application or proceeding is assigned are (703) 746-7239 for regular communications and (703)746-7238 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 305-9000.

Debra E. Kerr

DEK

May 20, 2002


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